

RESOLUTION 2004-7

A RESOLUTION CONCERNING THE REQUEST OF ALLIANCE GAMING CORPORATION TO PURCHASE SIERRA DESIGN GROUP

The Indiana Gaming Commission ("Commission") adopts the following resolution pursuant to the authority granted to it under IC 4-33 and pursuant to 68 IAC 1-2-6.

The following factors have been considered by the Commission:

1. Alliance Gaming Corporation is the parent company of Bally Gaming, Inc. Bally Gaming, Inc. received a Temporary Supplier's License on June 13, 1997 and a Permanent Supplier's License on March 30, 2000. The license has been renewed annually, with the most recent renewal granted on March 30, 2003.
2. Sierra Design Group received a Permanent Supplier's License on April 7, 2003.
3. Bally Gaming, Inc. and Sierra Design Group are Indiana supplier licensees in good standing.
4. Alliance Gaming Corporation has entered into an agreement with Sierra Design Group to acquire the stock of Sierra Design Group.
5. Alliance Gaming Corporation, requests the approval of the Commission for the purchase of 100% of the outstanding common stock of Sierra Design Group, an Indiana supplier licensee.
6. The Agreement and Plan of Merger is anticipated to close in late February 2004.
7. Sierra Design Group will become a wholly owned direct subsidiary of Bally Gaming, Inc. and an indirect subsidiary of Alliance Gaming Corporation.
8. No new key persons or substantial owners are being introduced as a result of this change in ownership. As a result, Alliance Gaming Corporation has requested that the Commission waive the normal transfer of ownership procedures and attendant background investigations.
9. Sierra Design Group has requested that the Commission approve a request to withdraw its Supplier's License upon the close of the Agreement and Plan of Merger. Upon closing, Sierra Design Group will notify the Commission that the closing has occurred and will relinquish its Indiana Supplier's License at

that time. Sierra Design Group will then distribute products pursuant to Bally Gaming, Inc.'s Supplier's License as its wholly owned subsidiary.

NOW, THEREFORE, BE IT RESOLVED BY THE INDIANA GAMING COMMISSION, THAT THE FOLLOWING RESOLUTION IS ADOPTED:

SECTION 1. SCOPE.

This resolution applies to Alliance Gaming Corporation, and Bally Gaming, Inc.

SECTION 2. DEFINITIONS.

The definitions set forth in IC 4-33-2 and 68 IAC apply to this resolution.

SECTION 3. ACTION ON REQUEST FOR WAIVER OF THE NORMAL TRANSFER OF OWNERSHIP PROCEDURES AND ATTENDANT BACKGROUND INVESTIGATIONS AND ACTION ON REQUEST FOR APPROVAL OF TRANSFER OF OWNERSHIP INTERESTS.

The Commission hereby:

GRANTS

GRANTS OR DENIES

Alliance Gaming Corporation's, request for a waiver of the normal transfer of ownership procedures and attendant background investigations.

The Commission hereby:

GRANTS

GRANTS OR DENIES

Alliance Gaming Corporation's, request for approval of the resulting transfer of ownership in Sierra Design Group to Alliance Gaming Corporation.

SECTION 4. ACTION ON REQUEST TO WITHDRAW THE SUPPLIER'S LICENSE HELD BY SIERRA DESIGN GROUP.

The request of Sierra Design Group to withdraw its application for a Supplier's License, upon closing of the transfer of ownership to Alliance Gaming Corporation, is hereby:

GRANTED

GRANTED OR DENIED

SECTION 5. EFFECTIVE DATE.

This RESOLUTION is effective immediately.

ADOPTED THIS THE 6th DAY OF FEBRUARY, 2004:

THE INDIANA GAMING COMMISSION:

Donald R. Vowels (FACSIMILE)
Donald Vowels, Chair

ATTEST:

Thomas Milcarek (FACSIMILE)
Thomas Milcarek, Secretary